



# HARFORD COUNTY, MARYLAND

## Office of the County Auditor

### FISCAL IMPACT NOTE

**Bill Number: 12-40**

**Bill Number: 12-41**

**Bill Number: 12-42**

**Bill Number: 12-43**

**Resolution Number: 27-12**

**Agricultural Preservation – Barrow-Widman**

**Agricultural Preservation – Lowe Trusts – 156 Acres**

**Agricultural Preservation – Lowe Trusts – 87 Acres**

**Agricultural Preservation – English**

**Agricultural Preservation – Roeder**

**Sponsor: Council President Boniface at the request of the County Executive**

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### Summary of Legislation

A BILL approving and providing for a multi-year Installment Purchase Agreement by Harford County, Maryland (the "County") to acquire development rights in up to [number of acres] acres of agricultural land located at [property address], from [owner], or any other owner thereof for a maximum purchase price of the lesser of [total price] or [per acre price] per acre or portion thereof but equal to the lesser of the maximum easement per acre value or the maximum development right value but not in excess of the maximum per acre cap as determined pursuant to Bill No. 07 05 enacted by the County Council of Harford County, Maryland on April 10, 2007, approved by the County Executive of the County on April 11, 2007 and effective on June 10, 2007, as amended by Bill No. 11-07, enacted by the County Council of Harford County, Maryland on April 5, 2011, approved by the County Executive on April 12, 2011, and effective on June 13, 2011 (the "Agricultural Land Preservation Act"); providing that the County's obligation to pay such purchase price and interest thereon shall be a full faith and credit general obligation of the County; providing for the levying of taxes for such payments; authorizing the County Executive to make modifications in such Agreement under certain circumstances; providing for and determining various matters in connection therewith.

The bills will take effect 60 days after enacted and the resolution will take effect on the date it is adopted.

[Brackets] above indication information that is specific to each bill.

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### Fiscal Impact Summary

These pieces of legislation allow the purchase of development right easements for 555 acres of land for \$2,750,795.

The current investment in the properties will require approximately \$1.3 million, which is available in the County's Agricultural Preservation Fund.

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### Fiscal Analysis

The County's Agricultural Preservation program uses a portion of the County's transfer tax revenue to purchase development rights easements from local property owners. The easements restrict the number of new non-agricultural structures that property owner may legally build on the property. Property owners with qualified properties apply to be included in the program. Properties are systematically evaluated and ranked by the Department of Planning and Zoning who then recommends which owners should be offered a purchase agreement. As funds availability is confirmed by the Treasurer, the County Executive, via bill or resolution, requests the County Council's approval for the purchases.

The bills presented on October 9, 2012, request approval for the purchase of easements related to 4 properties totaling 555 acres. These properties will be purchased using Installment Payment Agreements (IPA). For each IPA, the County will pay minimum annual payments to the property owner for the next 20 years and will pay the balance at the end of the term. To meet the final payment obligation, the County purchases Treasury notes with maturity dates that coincide with the balloon payment due date.

The resolution provides approval for one additional property of 14 acres, which will be purchased for approximately \$51,000, paid outright.

<u>Bill</u>	<u>Property Owner</u>	<u>Town</u>	<u>Total Price</u>	<u>Acres</u>	<u>T-Strip Price</u>	<u>Initial Payment</u>	<u>Total</u>
12-40	Barrow-Widman	Forest Hill	\$ 1,249,524	225	\$ 557,630	\$ 12,495	\$ 570,125
12-41	Lowe Trusts	Pylesville	\$ 766,746	156	\$ 342,182	\$ 7,667	\$ 349,849
12-42	Lowe Trusts	Pylesville	\$ 386,544	87	\$ 172,509	\$ 3,865	\$ 176,374
12-43	English	White Hall	\$ 296,976	73	\$ 132,529	\$ 2,970	\$ 135,499
Res. 27-12	Roeder	White Hall	\$ 51,005	14	\$ -	\$ 51,005	\$ 51,005
<b>TOTAL</b>			<b>\$ 2,750,795</b>	<b>555</b>	<b>\$ 1,204,850</b>	<b>\$ 78,003</b>	<b>\$1,282,853</b>

Data used in the analysis was provided by the Office of the Treasurer.

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### Additional Information

Previous Introductions: None

Fiscal Note History: Version 01 (10/9/2012) based on bills as of October 9, 2012.

Fiscal Analysis was prepared by Chrystal Moore, County Auditor.

Inquiries may be directed to (410)638-3161.